



**One Hundred First Legislature - Second Session - 2010**  
**Introducer's Statement of Intent**  
**LB 950**

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**Chairperson:** Dave Pankonin  
**Committee:** Nebraska Retirement Systems  
**Date of Hearing:** February 2, 2010

The following constitutes the reasons for this bill and the purposes which are sought to be accomplished thereby:

LB 950 makes a number of technical and clarifying changes to the state-administered retirement plans.

It clarifies in the County, State and School Employees Retirement plans that a disability must have occurred while the member was a participant in the plan. In the County Employees Retirement Plan it clarifies that disabled county employees are not required to receive medical examinations after age 55 – the age of retirement eligibility.

Provisions related to retirement benefits adopted by the passage of LB 403 in 2009 are amended into the County Employees Retirement Act, the Judges Retirement Act, the State Patrol Retirement Act, the School Employees Retirement Act, the State Employees Retirement Act, and the Deferred Compensation Plan. LB 403 prohibits payment of benefits to non-citizens or those not lawfully in the United States. There are no substantive changes to the provisions of LB 403 as adopted by the Legislature in 2009.

Definitions in the School Employees Retirement Act are amended to clarify when termination occurs and who qualifies as a temporary, regular, part-time and substitute employee.

The School Employees Retirement Act is amended to clarify which Department of Education employees may elect to become members of the School Retirement Plan and which employees are automatically enrolled in the State Employees Retirement Plan.

Language is stricken in several sections of the County and State Employees Retirement Acts prohibiting use of forfeiture funds to pay administrative costs for the defined contribution and cash balance plans. Use of forfeiture funds is explicitly enumerated in section 23-2319.01 of the County Employees Retirement Act and section 84-1321.01 of the State Employees Retirement Act. Forfeiture funds are employer contributions deposited to plan member accounts that are forfeited by plan members who cease employment before vesting occurs.

**Principal Introducer:** \_\_\_\_\_  
**Dave Pankonin, Chairperson**  
**Committee on Nebraska Retirement Systems**

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